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Challenge

TARGET PROJECTS PROGRAM



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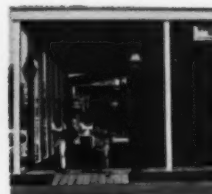
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PAGE 2: Serious problems threatening the viability of public housing throughout the country are promised relief under HUD's Target Projects Program launched recently in Washington.

PAGE 10: Looking to 1976 and celebration of the Nation's Bicentennial, the City of Sacramento, Calif., is in the process of transforming an area recently known for soup kitchen meals and cheap flop houses to a prime business and tourist attraction.

PAGE 22: That the incidence of major crime within New York City's public housing projects is only about a third of that reported for the city as a whole suggests that the housing authority's program of tenant patrols—residents contributing to their own security—is one of the most successful of the many approaches to security in public housing being implemented throughout the country.

PAGE 30: Cumberland, Md., long recognized as a main gateway to the West, is pointing with pride to an ambitious community effort of revitalizing its central business district—once dotted with unsightly decay and languishing from a diminutive tax base.

NEXT MONTH:

A look at consumer aspects of certain HUD programs.

COVER: The symbol of the newly-launched Target Projects Program (TPP) is featured as designed by artist Milton Paquin.

looking ahead

Recent Measures to Increase the Supply of Funds for Housing

In early May, interest rates throughout the capital market had risen to high levels, and the attractive rates available on Treasury, Federal agency, and high grade private securities were attracting funds out of the traditionally mortgage oriented thrift institutions. Unless substantial measures were taken, housing production and transactions involving existing homes would be seriously curtailed for lack of financing.

The May 10th Federal Government action to alleviate the problem did essentially three things to shore up the supply of funds:

First, HUD, through GNMA, increased by \$3.3 billion the amount of commitments to be made under the Tandem Plan, enough to finance 100,000 housing units. This is on top of \$6.6 billion in Tandem authority announced last January.

Under the Tandem arrangement, GNMA makes commitments to buy FHA and VA mortgages on new housing units at a future date, at interest rates below the current market rate. The program assures builders of the availability of long-term financing, and thereby enables them to undertake new construction that would not otherwise be possible. After completion of construction, GNMA acquires the loans.

Typically, GNMA holds the loans only a short time before selling them at auction at prevailing market prices. These GNMA auctions in the past year have supplied a large number of loans that ultimately ended up in mortgage pools underlying GNMA guaranteed securities.

The second measure is a new Special Forward Commitment Program in which \$3 billion has been made available for the Federal Home Loan Mortgage Corporation to buy conventional home loans. The Mortgage Corporation is making commitments to lenders to buy recently closed loans on new homes. The loans must have a contract interest rate no higher than 8% percent, and meet all other requirements normally attached to loans purchased by Freddie Mac. As with Tandem, this financing will be adequate to cover at least 100,000 units. Funds for acquiring these loans will be raised through additional Federal Home Bank System borrowing. However, if conditions in the capital market do not permit the System to obtain the necessary funds in the private market, the Treasury will provide financing under statutory standby loan authority.

The third measure is a new program in which the Federal Home Loan Bank System is making subsidized advances. The S&L industry will be able to obtain up to \$4 billion in 5-year advances at interest rates as much as ½ percent below the System's current borrowing costs on

5-year obligations. These funds will be channeled into loans for both new and existing properties.

In addition to these measures, the FHA-VA maximum interest rate was raised from 8½ percent to 8% percent, and changes were announced in the FHA mobile home loan program to allow higher effective interest rates. These measures reflect the necessity of keeping ceiling rates in line with current market rates if the supply of private funds into federally underwritten housing loans is to be sustained.

These measures will by no means insulate housing completely from the effects of tight money. Some of the Federal agency borrowing that will be required to carry out the new programs will draw additional funds out of thrift accounts. At best, perhaps half of the \$10.3 billion in new assistance will actually represent net additional money for housing.

The underlying purpose of the measures is to moderate the violent swings in housing credit. Beyond some point, severe swings in housing production undoubtedly affect the stability and efficiency—and hence the costs—of housing production.

The new measures, like several others initiated in recent years, attempt to circumvent institutional rigidities in the private housing finance industry—which invariably cause the housing oriented thrifts to lose their ability to compete for deposits when general credit conditions become tight. By circumventing those rigidities—mainly by tapping the resources of the securities markets for housing funds—the private market is allowed to allocate to housing a suitable share of total funds that are available, based on normal market allocation mechanisms.

In the long run, a more stable flow of funds into housing has to be achieved through basic reforms in the U.S. financial system. If savings institutions are to hold on to deposits when market rates rise, they must have the ability to invest in higher yielding assets with short maturities. Deposit rate ceilings need to be phased out, as do the obsolete ceilings on federally underwritten loans. Provisions for carrying out these changes are contained in the Financial Institutions Act now before Congress.

The capital markets are among this Nation's most competitive and efficient market places. Where the capital markets are inefficient, it is most frequently because of excessive government restrictions on the business activities of those particular financial institutions most involved in housing. The principal burden of these restrictions falls on the average family seeking to buy a house or invest its savings. There is little hope for permanent improvement in housing finance without making the necessary basic changes in the financial institutions involved.

—Warren A. Lasko, Acting Director
Division of Housing Finance Analysis



TARGET PROJECTS PROGRAM

A Turnaround for Problem Projects

By Valerie Johnston

Low-rent housing operated across the Nation by local housing authorities (LHAs) is in serious trouble. Operationally and environmentally the housing developments are caught in a downward spiral of unmet needs that have escalated into multi-dimensional problems. To relieve the root causes of these problems, HUD Secretary Lynn authorized Assistant Secretary H.R. Crawford to launch an intensive, short-term effort to arrest the downward spiral and turn the developments around. With an initial funding authorization of \$35 million, the Target Project Program (TPP) will be directed to a limited, specified number of the low-rent public housing developments.

Authorities face Financial Crisis

Increased production of public housing in the late sixties, and early seventies is partially responsible for America's inventory of 1,153,000 public housing units. The present predicament of the housing authorities may be partly explained by the fact that maintenance and operational costs have risen while rents, which were intended to cover LHA operating costs, are restricted by law to 25 percent of a family's income. The average income of public housing tenants is low, averaging perhaps \$3,000 a year. Consequently, nearly half of the Nation's local housing authorities are currently operating in the red. Though many units offer a clean, safe, affordable environment for low income families, it is those projects that fit the slum-ghetto stereotypes that have given public housing a less than glowing reputation. Where these projects exist, the inevitable symptoms are people problems: apathetic management, vandalism, lack of resident pride, poor intra-community relations, and juvenile unrest. HUD believes that careful and comprehensive application of a lump-sum TPP fund can help to eliminate these types of problems. As the name suggests, the TPP program will target many of the worst projects in cities of all sizes, rural areas, and Indian reservations.

Details of the program were explained recently at a TPP briefing in Washington, D.C., attended by executive directors of 37 candidate LHAs. Criteria for selection of candidate projects included inadequate maintenance, extensive physical deterioration, high crime, vandalism and delinquency rates, unoccupied, vandalized housing units, inadequacy of municipal services, and poor project reputation in the community. These candidate authorities submitted preliminary applications to HUD in June outlining general proposed action within the specific projects for which TPP funds would be used.

Projects Reflect Program Goals

The LHAs were guided to develop their plans according to specific goals set by HUD for the Target Projects Program. TPP funds are to be used in addition to any modernization funds, as well as operating or other ongoing subsidies received by the LHAs. Part of the program will require that all other resources, financial or service, be used with maximum economy in coordination with TPP. For example, complementary modernization money for major physical or capital improvements will be integrated with TPP planning. This program should effect benefits otherwise unachievable yet that are self-sustaining, and perpetuated through regular funding after the two-year period. These additional TPP subsidies will be applied to non-capital, or "software" items. Some examples are deferred maintenance (perhaps the top priority); redecoration and other deferred maintenance; security services; and resident services of all kinds, such as employment centers, transportation, management and tenant training, day care, and counseling.

In addition to a statement of specific physical and non-physical needs and activities planned to meet a project's needs, the preliminary applications explained methods of feasible tenant participation in the planning, implementation and evaluation of the program, including

possible employment of residents within the project itself on security forces, maintenance crews, in administrative operations, and other areas of the project to be upgraded through TPP.

As another essential, each LHA was required to show strong local government and community support for its plans. The pledge of new or stepped-up government services and financial support, as well as effective extension of community facilities and resources to the project, form major components of HUD's overall goal for the program. This also includes full utilization of the voluntary service clubs such as Kiwanis, minority organizations, scouts and fraternities.

In June Secretary Lynn awarded qualifying authorities with letters approving their initial applications and their respective funding levels. Monitoring systems will relay progress in each target project toward agreed upon goals for the evaluation. The Target Projects Program, it is hoped, may be expanded in the near future to help provide a healthy, livable and secure environment for other public housing projects in need of such assistance.

Objectives of TPP-Selected Housing Authorities

Atlanta, Ga.; Perry Homes and Carver Community: 2,130 DU*—To hire staff and create special maintenance projects which will promote understanding and cooperation between residents and management in following through with specific responsibilities.
\$1,885,000

Birmingham, Ala.; Marks Village: 500 DU—To increase the management staff, carry out deferred maintenance projects, and improve community facilities for the pur-

pose of upgrading the project's physical and social environment.

\$372,000

Boston, Mass.; Columbia Point: 1,504 DU—To concentrate efforts on increased security, promotion of upward mobility, improve general management and finish deferred maintenance.

\$2,040,000

Burlington, N.C.; Entire Authority: 250 DU—To improve family behavior, extend health services to residents and create additional job opportunities for residents.

\$125,000

Camden, N.J.; Peter J. McGuire Gardens: 367 DU—To carry out extensively needed maintenance and provide tenant services by the addition of staff such as a social services director, community worker, and youth activities coordinator.

\$450,000

Charleston, S.C.; Meeting Street Manor, Cooper River Court and Extension, and Gadsden Green Homes: 600 DU—To provide training courses for maintenance workers and potential resident employees as well as funds for deferred maintenance, security and safety projects.

\$500,000

Chicago, Ill.; Frances Cabrini Homes, Frances Cabrini Extension, William Green Homes: 3,569 DU—To minimize vandalism and problem behavior; promote tenant services, upward mobility, and the utilization of considerable governmental and non-governmental support; and to establish a "management outpost" system using individual supervisors and teams for security and other services.

\$3,279,000

*Dwellings Units

Creek Nation, Okla.; Entire Authority:—To extend new services and training to tenants as well as plan to complete major physical improvements under the modernization program.
\$308,000

Dade County, Fla.; Liberty Square: 913 DU—To provide improved security services, university instruction to management personnel and residents, carry out deferred maintenance, and computerize management functions for more efficient operations.
\$856,000

Detroit, Mich.; Edward J. Jeffries: 2,170 DU—To decentralize management and improve resident-management relations in coordination with other management improvement programs, as well as accomplish deferred maintenance, new tenant services, and resident upward mobility.
\$2,186,000

East St. Louis, Ill.; Orr-Weather: 592 DU—To improve lifestyle and job potential of residents and complete deferred maintenance by meshing TPP funds with available community service efforts.
\$589,000

Gonzales, Tex.; Indian Ridge, Edwards, Cosa Rio: 70 DU—To complete needed basic maintenance and repair as well as provide a bilingual tenant services coordinator.
\$30,000

Jersey City, N.J.; A. Harry Moore, Curries Woods: 1,374 DU—To combine a program for maintenance security, and resident-management cooperation similar to a successful on-going program in one of the communities.
\$739,000

Kansas City, Mo.; Wayne Miner: 690 DU—To improve the security and decentralize management to enable closer attention to specific problem correction.
\$760,000

Las Vegas, Nev.; Gerson Park: 300 DU—To utilize a team approach to fill tenant services and combine them with those available in the community for tenant employment, youth development, involvement of senior citizens in the community and meeting the health needs of the elderly.
\$450,000

Lorain, Ohio; Wilkes Villa: 200 DU—To contract personnel for deferred maintenance, security guards, tenant services; improve the physical conditions and safety of apartments and improve the project image in the community and by project residents.
\$100,000

Los Angeles, Calif.; Nickerson Gardens: 1,110 DU—To increase security and resident involvement; update deferred maintenance and provide thorough orientation for new residents.
\$1,100,000

Louisville, Ky.; Lang Homes: 1,116 DU—To add a security force and social service personnel.
\$166,000

Memphis, Tenn.; Le Moyne Gardens: 842 DU—To fill deferred maintenance needs and carry out a comprehensive tenant services program.
\$500,000

Mobile, Ala.; A.F. Owens Homes, Jessie Thomas Homes: 787 DU—To provide extensive tenant employment and other social services in order to promote needed upward mobility.
\$302,000

New Haven, Conn.; Farnum Courts: 300 DU—To develop programs for a community center, complete deferred maintenance, and improve security.
\$121,000

New Orleans, La.; Desire: 1,852 DU—To greatly improve maintenance and security in coordination with modernization funds.
\$2,200,000

New York City, N.Y.; Carey Gardens, St. Nicholas Houses, East River Houses, South Jamaica Houses, Langston Hughes: 4,932 DU—To provide social services, improved resident-management relations, security systems, and deferred maintenance where such activities are priority needs in the project.
\$5,000,000

Norfolk, Va.; Roberts Park, Roberts Park East, Moton Park: 556 DU—To achieve increased upward mobility of the project population.
\$400,000

Oakland, Calif.; Lockwood Gardens: 372 DU—To increase and improve maintenance capability, specifically exterior and interior painting, create new tenant services and establish much needed on-site management.
\$372,000

Oxnard, Calif.; Colonia Village: 430 DU—To effect resident upward mobility by securing services outside the project and providing service worker, resident management worker, supplies and equipment, and corrected deferred maintenance within project.
\$276,000

Papago, Ariz.; Entire Authority—To upgrade the environmental condition by means of regular clean-up and maintenance, as well as provide small recreational parks and covered outdoor spaces (ramadas) to fit in with the traditional lifestyle.
\$100,000

Philadelphia, Pa.; Tasker Homes: 1,077 DU—To focus on maintenance inspection and planning; improved lighting, police, and tenant security patrols; establish a resident service center; and develop resident councils for community participation.
\$1,181,000

St. Louis, Mo.; John J. Cochran Garden Apartments, Anthony M. Webbe Apartments and Joseph M. Darst Apartments: 1,940 DU—To assist the management and tenants in a combined effort to catch up with deferred maintenance in coordination with other current program subsidies.
\$700,000

San Antonio, Tex.; Mirasol Homes, S.J. Sutton Homes: 734 DU—To effect extensive deferred maintenance and security in coordination with substantial modernization program.
\$743,000

Turtle Mountain, N.D.; Entire Authority—To obtain equipment, staffing and facilities for general management and coordinate TPP program with good modernization plan.
\$183,000

Washington, D.C.; Arthur Capper, Ellen Wilson, Carrolsburg Square, Eastgate Gardens, Stanton Dwellings, Valley Green, Greenleaf Gardens: 2,491 DU—To clear clusters of vacant units, eliminate erosion problems, stress training and employment of residents for increased involvement in maintenance, and improve project safety and security.
\$3,022,000

Wilmington, Del.; Southbridge, Southbridge Extension: 360 DU—To establish an extensive program of tenant social services aimed toward upward resident mobility.
\$350,000

Winnebago County, Ill.; Ashley Courts: 75 DU—To increase maintenance and security and stimulate upward mobility by improving resident-management through the hiring of a tenant services coordinator as well as expansion of maintenance and management staff over the two year period.
\$75,000

Winston-Salem, N.C.; Kimberly Park Terrace: 556 DU—To meet deferred maintenance needs and involve tenants in project functions and community activities to promote upward mobility.
\$450,000

Yakima Nation, Wash.; Entire Authority—To effect deferred maintenance; hire additional social services staff to aid tenants; and complete considerable capital improvements by means of the modernization program.
\$90,000

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NEIGHBORHOOD PRESERVATION PROGRAM

Federal Role Subordinated to Local Effort

By Lisa Gerard

The Department of Housing and Urban Development and the Federal Home Loan Bank Board recently created a program designed to revitalize neighborhoods which are on the verge of decline. The objective of the new effort is to encourage a continuing partnership of interests which can mount an effective program of neighborhood preservation and maintain a stable community in still sound but potentially troubled areas.

A major thrust of the effort will be to expand a program of the Federal Home Loan Bank Board developing pilot neighborhood preservation programs which directly involve partnerships of local financial institutions, local governments and neighborhood residents. This program was modeled on Neighborhood Housing Services of Pittsburgh, Pa., a private effort begun in 1968 that, with the support of the local city government, has successfully brought private capital into what was formerly considered a declining neighborhood.

The announcement of HUD sup-

port was made on April 22 at a joint press conference held in Washington by HUD Secretary Lynn and Board Chairman Thomas R. Bomar. HUD has provided a demonstration grant of \$2.75 million for Fiscal Years 1974 and 1975 to the Urban Reinvestment Task Force which will administer the program, under the direction of Secretary Lynn and Chairman Bomar. The core of the Task Force's staff comes from the Bank Board's program, with William A. Whiteside serving as Staff Director of the Task Force.

At the press conference Secretary Lynn said that the program will carry out President Nixon's directive in his September 19, 1973, Message to the Congress on Housing Policy Recommendations to pursue promising approaches to neighborhood preserva-

tion through a partnership of the Federal Government, the local government, local financial institutions and the citizens of neighborhoods involved.

The President said that the Federal Government should launch a new approach to the preservation of neighborhoods:

"Simply providing Federal housing assistance to families without proper regard for the condition of the neighborhood as a whole too often results in unmet expectations for the families, added burdens for the municipality and a waste of the taxpayers' dollars. It is important, therefore, that all of our efforts in the housing and community development field be carried out as a partnership venture of the Federal Government, the local government, local financial institu-





Discussing aspects of the newly-announced Neighborhood Preservation Program are Federal Home Loan Bank Board Chairman, Thomas R. Bomar (left), Ms. Dorothy M. Richardson, President and founder of NHS Pittsburgh (center) and HUD Secretary James T. Lynn.

tions and the citizens of the neighborhoods involved."

Secretary Lynn said the program is "a high-impact, low-cost way of helping neighborhoods survive." He expressed the hope that after HUD funds a number of such undertakings "local groups themselves will start them."

Two Programs Involved

The task force will be involved in two separate programs, Neighborhood Housing Services (NHS) and Neighborhood Preservation Projects (NPP). Both programs are designed to produce residential rehabilitation, home improvement lending and mortgage lending on existing housing.

The Neighborhood Housing Services program applies to neighborhoods where: (1) the homes and

stock are basically sound but beginning to show signs of deterioration; (2) there is a high degree of home ownership; (3) neighborhood residents want to preserve their neighborhood and improve their homes and are willing to put their effort into establishing and operating an NHS; (4) local government agrees to invest in the neighborhood by making necessary improvements in public amenities and by conducting an appropriate housing code compliance program coordinated with NHS activities; and (5) financial institutions agree to reinvest in the neighborhood by making loans to all homeowners who qualify for market rate loans by meeting the institution's underwriting criteria.

Key to the success of NHS is a "high-risk" revolving loan fund which stands ready to make loans at flexible rates and terms to residents who do not meet commercial credit standards. Funds for the revolving loan fund are normally contributed by foundations and local corporate sources. Matching grants at varying rates may be provided by the Urban Reinvestment Task Force toward the high-risk revolving loan fund. An NHS organization, a state-chartered private, non-profit corporation with a board of directors comprised of community residents and representatives from the financial institutions, is formed to carry out the work of financial counseling, administration of the revolving loan fund, assistance with rehabilitation specifications and bids, careful monitoring of contractors, and liaison with city agencies.

In addition to establishing NHS programs, the task force will assist and monitor a number of Neighbor-

hood Preservation projects which will involve partnerships of local residents, local government and private financial institutions but which differ from the NHS program in some ways. In contrast to NHS programs, which will be established with the help of the task force, the task force will spend considerable staff time examining the NPP projects to determine which programs are best suited for implementation elsewhere.

"The key word here," said staff director Whiteside, "is confidence—confidence on the parts of residents, lending institutions, and the city that a neighborhood can come back if it is not too far gone."

Whiteside points to a number of ways in which participating savings and loan institutions benefit from participation in such a program. These include civic pride derived from helping a declining neighborhood; the loans themselves and the opening of a new market for possible additional loans; and, finally, the good public relations aspect of showing that the institution is concerned with the well-being of the community.

NHS programs now are underway in Washington, Oakland, Cincinnati, and Dallas and are being organized in Boston, Baltimore, Kansas City, Mo., Chicago, San Antonio, and Plainfield, N.J. Cities or other jurisdictions or nonpublic entities wishing to be considered for participation in an NHS program or an NPP program should write to the Urban Reinvestment Task Force, 101 Indiana Ave., N.W., Wash., D.C. 20552, or call the task force at (202) 386-4346.

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PROPERTY TAX RELIEF FOR THE ELDERLY: THE STATE PROGRAMS

By David Einhorn

Increasingly, States are legislating property tax relief for the elderly. Since the inception in 1964 by the State of Wisconsin of what has come to be known as the property tax "circuit breaker," 21 additional States have followed suit and enacted similar programs. New York, Massachusetts, Idaho, and the District of Columbia are actively considering such programs; and the Maryland legislature has enacted a circuit breaker, but has not yet provided funding to make it operational.

Why Property Tax Relief for the Elderly?

Real estate property taxes take about 3.4 percent of family income in the United States, with a high of 5.0 percent in the Northeast and a low of 2.0 percent in the South. While these percentages are moderate when averaged out over all income classes, the burden falls most heavily on the elderly who are finding it increasingly difficult to continue maintaining their homes. In the high tax Northeast and Far West, many elderly homeowners pay out as much as 29 percent and 22 percent, respectively, of their household income as property taxes. Elderly renters also pay excessive rents in relation to their incomes. For example, the 1970 Census showed that 44 percent of the Nation's renter households age 65 and over paid gross rents in excess of 35 percent of their household incomes. If 25 percent of gross rent represents property taxes, 78 percent of elderly renter households in 1970 paid the equivalent of property taxes of more than 5 percent of their household incomes and 62 percent paid more than 7 percent of their incomes, compared with the 3.4 percent for all households.

While it has been widely acknowledged that large numbers of the elderly face very heavy tax burdens in relation to their incomes, arguments have been advanced against property tax relief as a means of relieving their plight. One argument raises the question of whether elderly homeowners with sizable equities in their homes should, in effect, be enabled by public subsidy to keep intact a valuable asset that is later inherited by their children, resulting in an income transfer from the public to the heirs of the elderly. It has been argued that a better alternative would be not to abate excessive property taxes, but rather to defer them for the lifetime of the elderly, and recoup the subsidies from their estates. Another argument relates to the overhousing issue: whether providing property tax relief to elderly home-

owners, enabling them to maintain homes often far larger than they need, results in serious housing distortions. A better alternative might be, it is argued, for elderly homeowners to give up their homes to live in subsidized smaller units, easier and less costly to maintain, thus freeing up large existing units for families with children.

The problem with such arguments is that they don't take into account the social and political realities associated with the elderly in the U.S. today. Forcing elderly homeowners to liquidate their capital, to turn to relatives for assistance, or to move to other housing often far from their present neighborhoods, is unconscionably harsh; an increasing number of State legislators are not letting it happen. Such arguments ignore the fear of elderly people of depleting their limited and irreplaceable capital during their lifetimes and their aversion to impairing inheritable estates, which to many is all they have to show for a lifetime of work. They ignore the attachment and psychological support to the elderly of maintaining their present homes. In fact, when Oregon in the 1960's offered the option of property tax deferral to elderly homeowners, recoverable with interest from their estates, it was generally declined. An approach to property tax relief that shields the elderly from forced liquidation of their homes, depletion of their estates, or relocation to other housing; that is applicable to renters as well as owners; and that avoids erosion of local tax base through tax exemptions, is the type that is now gaining the widest acceptance: the property tax circuit breaker.

State Programs

The circuit breaker is a State financed and administered program that provides property tax relief directly to households whose property tax burdens on their homes or estimated property tax portion of their rents exceeds some proportion of their incomes. Benefits are not automatic and must be applied for by eligible recipients. Under the most widely used circuit breaker, an applicant files a supplemental statement with his State income tax return, indicating all money income. The State computes the amount of property tax paid by the household that is excessive under its formula, and either credits an amount of tax relief benefit against the applicant's State income tax liability, or rebates the amount directly to the applicant in cash.

The principal cost elements of a circuit breaker program are: (1) the level of income under which property tax relief remains operational, (2) the maximum amount of tax relief to a household, and (3) the extent of program coverage in terms of eligible households. Most circuit breaker programs cost the States less than \$3.00 per capita and have benefit limits averaging no more than \$400 to \$500 per household. Of the 22 States with circuit breaker programs, 5 States (Michigan, New Mexico, Oregon, Vermont, and Wisconsin) provide property tax relief to all eligible households regardless of age. Eighteen out of the 22 circuit breaker States provide relief to renters as well as owners. Income ceilings range from a

low of \$3,500 in North Dakota to a high of \$20,000 in California, with most of the others in a range of between \$5,000 and \$7,000. Estimated property taxes on rents range from a low of 10 percent of rent in Colorado to a high of 25 percent in Arizona, Illinois, Maine, Vermont, and Wisconsin.

Most typical of the circuit breaker programs around the country, in terms of method of operation, are those of Minnesota, Oregon, and Wisconsin. The Minnesota program covers homeowners and renters 65 years of age and over and provides a credit against State income taxes on a sliding scale from 95 percent of property taxes for incomes of under \$1,000 to a limit of 25 percent of property taxes, phasing out at a maximum of \$6,000 in household income and \$800 in property taxes. The newly revised Oregon program, the first to provide property tax relief to non-elderly, covers all homeowners and renters regardless of age. It provides a State rebate of property taxes on a sliding scale that ranges down from \$490 for households with incomes below \$500, and phases out at incomes of \$15,000. In Wisconsin, all homeowners and renters are covered regardless of age. A State income tax credit or rebate of 80 percent of property taxes is provided to households with incomes below \$3,500. For those whose incomes exceed that amount, a tax credit or

unveiled April 1973 by the Treasury in hearings before the Congress. Citing the intensity of the property tax burden affecting the elderly and the lack of an adequate State response, the situation was described as a national problem requiring Federal intervention. Excessive property taxes were said to be undercutting social security and other Federal programs designed to provide retirement benefits and security for the elderly. The proposed program with an estimated cost of \$500 million (now about \$600 million) per year, would provide a refundable property tax credit for property taxes that exceed 5 percent of household income, up to a limit of \$500 in benefits. It would include renters, with property taxes estimated to be 15 percent of rents. The credit would be deducted from Federal income tax payments or be refunded to taxpayers entitled to an overpayment refund.

Since the proposal was presented in March 1973, 8 additional States have enacted circuit breakers, bringing the total to 22, and 4 more States and the District are actively considering such programs. Eighteen of the 22 circuit breaker States now include renters as well as owners, compared with 7 States in March 1973. Five States have dropped age as an eligibility criterion. In addition, all of the non-circuit breaker States now have one or another form of property tax relief program for the elderly, significantly reducing the urgency for Federal intervention.

Conclusions

The States are responding to the need for property tax relief to ease the excessive tax burdens of the elderly. The most viable response appears to be the circuit breaker, which has the advantages of: (1) flexibility in terms of extent and type of coverage, (2) relatively low cost, (3) responsiveness to varied levels of need, and (4) protection of local governments from erosion of property tax base.

State circuit breaker programs represent a significant effort by the States to ease the plight of the elderly and keep them from losing their homes and apartments. Pioneered, adapted, and financed by the States, the circuit breaker is a viable response to a serious, widespread problem. It provides an opportunity for each State to approach its property tax situation in its own way, making constructive use of general revenue sharing funds, and reducing the need for a Federal program.

State Programs for Property Tax Relief 1974			
Circuit Breaker Programs	Other State Financed Programs	State Mandated Locally Financed Programs	State Authorized Locally Financed Programs
Arizona	Alaska	Alabama	New Hampshire
Arkansas	Florida	Delaware	New York
California	Mississippi	Georgia	Rhode Island
Colorado	Nebraska	Hawaii	Texas
Connecticut	New Jersey	Idaho	Utah
Illinois	South Carolina	Kentucky	Virginia
Indiana	Tennessee	Louisiana	
Iowa	Wyoming	Maryland	
Kansas		Massachusetts	
Maine		Montana	
Michigan		North Carolina	
Minnesota		Oklahoma	
Missouri		South Dakota	
Nevada		Washington	
New Mexico			
North Dakota			
Ohio			
Oregon			
Pennsylvania			
Vermont			
West Virginia			
Wisconsin			

rebate of 80 percent of the amount of property taxes that exceed 14.3 percent of income over \$3,500 is provided, with a maximum amount of excess property taxes subject to relief of \$500.

Is a Federal Program Needed?

A proposed national circuit breaker program was

Property Tax Relief Programs for the Elderly	Number of States each Year		
	1965	1970	1974
State financed "circuit breakers"	1	4	22
Other State financed programs	5	8	8
State mandated locally financed	5	12	14
State authorized locally financed	1	4	6
Total	12	28	50

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Old Sacramento

By Estelle Saltzman

As time takes persistent steps toward 1976—the year of this Nation's Bicentennial celebration—attention is focused on the place where the Pony Express rider ended his long and dangerous journey in the 1800's... Old Sacramento.

Considered the largest and most important authentic historic preservation project designed for opening July 4, 1976, Old Sacramento is setting the stage for the Bicentennial.

Enhanced by its location in the downtown of the capital city of the largest state in the Union, this project is not only important to visitors but to the City of Sacramento as well. Its boundaries encompass the largest concentration of historic buildings dating back to the California goldrush (circa 1849-1870).

As late as 10 years ago, a visitor to the project area was most likely looking for a soup kitchen meal, a cheap place to flop for the night, or a one-day job.

Yet now, even though work is only partially complete, there are hundreds of tourists, local residents, college students, and legislators strolling the area's gas-lit, cobbled streets to browse and shop in novelty and antique stores and to enjoy food and drink in period bars and restaurants that have already risen from the ruins of crumbled brick.

Old Sacramento is being recreated as a prime business and tourist attraction, expected to draw about 2.5 million visitors spending upwards of \$20 million annually.

It stands invitingly today on 28 acres of river bank cut off from the rest of the city by a winding freeway.

Its boundaries hold about six blocks of buildings, 120 of which are considered worth restoring or reconstructing. Forty-one of those



structures were built in the goldrush period.

Administrator of the development is the Sacramento Housing and Redevelopment Agency whose executive director is William Seline. Project manager is Edwin Astone.

A partnership of local, State and Federal Government agencies, plus private industry, is responsible for what has been accomplished to date.

Structures Renewed

Implementation of the effort is being accomplished through restoration of existing historical buildings, reconstruction of buildings on their original sites, and rebuilding, in the project area but at different locations, of important historical structures which were demolished to make way for the freeway.

In addition to gaslights and cobblestone gutters, the project also features hitching rails and future plans call for horse-drawn streetcars, wagons, carriages and stagecoaches.

Local city, county and redevelopment agency officials also envision six museums, five of which will tell the story of transportation and communication in the early West (i.e., the stagecoach, the railroad, the riverboat, Pony Express and the telegraph); the sixth museum will tell the story of the pre-Spanish days to the present.

About 20 buildings have been restored to date and contracts have been let for most of the rest.

Like the pony rider of old, Seline's staff of nearly 200 are driving the \$30 million project to completion on July 4, 1976.

On that date, agency officials plan to dedicate a statue representative of the Pony Express, which began operation in 1859. Sacramento was the

1. Dedication of gas lights in Old Sacramento
2. Fulton's restaurant-patio below street level



2



1. Fanny Ann's Saloon—a major attraction to visitors
2. Patio of Firehouse Restaurant
3. Workman installing period touch to restored building
4. Reenactment of Pony Express ride

4

posed against others of little importance—decrepit freight sheds, warehouses, flophouses and bars.

Old Sacramento had its actual beginnings in 1839 when Captain Sutter built Sutter's Fort and established the embarcadero on the waterfront.

The boom came when gold was discovered at Sutter's Mill in Coloma in 1848.

First permanent structure was the Hensley, Reading & Company frame store and by July 1849, there were about 100 buildings.

Despite disastrous floods, fire and epidemics, the city, by 1857, had become a major center for staging and steamer traffic on the river.

One of the most radical changes in Old Sacramento occurred in 1864 when the streets were raised one story, in a remarkable engineering feat, to avoid further flooding. Simultaneously, the embarcadero went through radical changes with the building of the transcontinental railroad so that by 1869, the river front was filled with switch lines and freight sheds of major railroads.

Attractions offered Visitors

All of this was remembered in the 1960's and '70's redevelopment work so that what is there today is a realistic recreation of a bustling frontier city, with restaurants, "saloons," and cafes for the enjoyment of visitors.

Old Sacramento developers have been careful to respond to all sorts of tourist-convenience suggestions.

One of the most recent examples of this concern is an information center in the Morse building, which is manned for a few hours a day by senior citizens who live in the Sacramento Housing and Redevelopment Agency's housing projects for the elderly.

It is planned that the senior citizens will dress in period costume. That, and the fact that many of them lived through the period that Old Sacramento developers are recreating,

lend to the project's aura of authenticity.

The Morse Building was the first structure selected by the Sacramento Housing and Redevelopment Agency for restoration in 1968 and is one of the first historic demonstration projects in the United States to be sponsored by Federal urban renewal funds. It will be used as a pilot project to show proper restoration techniques to future developers of historic structures.

Authentic materials were used in renovation of the two-story brick structure. Originally, 20 ornate cast-iron pilasters (attached columns) were on the building. Eight of them still existed when the project began and the remaining 12 pilasters were recast as they were 100 years ago.

Doorways and arched window frames were accurately recreated, as were the granite sill bases under the windows.

Sidewalks were reconstructed of wood and the covered balconies were replaced.

Earlier this year, the agency received a Department of Transportation award for the Morse building, for excellence in urban design of an historic project adjacent to a freeway.

Also already restored is the Pioneer Telegraph building where the first transcontinental message was received in 1861.

And in an effort to create convenience, developers have installed wooden ramps along Old Sacramento streets to make it easy for people in wheel chairs to move about. Seline says such ramps were in existence originally, too.

Recently, Sacramento City Councilmen approved issuance of approximately \$8 million in bonds to aid in completion of the project.

The tax-increment bonds have been used in Old Sacramento before. Their repayment is made through use of increased taxes resulting from increased assessments.

In addition, Seline has also re-

ceived approval to go ahead with construction of a \$2 million, 483-car, 5½-story parking garage.

In presenting this proposal to the Council, he noted: "There is more activity going on in Old Sacramento than ever before and we expect eight or 10 more buildings to be completed by the end of the summer."

Estimated cost of Old Sacramento is \$30 million. Its financing has taken a variety of forms. City and County officials, for example, have joined forces to coordinate and administer the project and the Federal Government has agreed to match every \$1 raised locally with \$2, in the name of urban development.

About \$8 million has flowed into Old Sacramento by this route.

Meanwhile, the State has agreed to spend \$6 million to develop nine acres into a railroad museum and other facilities while private investors have agreed to pump in more than \$14 million for restoration and reconstruction.

Every community has a history and there is usually plenty of it in evidence, but developers often wonder why they should get involved.

Sacramento local government officials point to many advantages of such involvement and note that participation here is more than just dealing with bricks and mortar.

"We are discovering the attitudes of the people who lived in the gold-rush period and we're comparing them to our attitudes now.

"How do you know where you're going when you don't know where you've been? Here, we're seeing where we've been. It helps us to know where we want to go," they say.

According to Seline, Old Sacramento not only preserves a page from American history, but is good for the central city from a financial standpoint, too.

Ms. Saltzman is an urban affairs writer in Sacramento.



Assistant Secretary Crawford awards 6033 Walnut Street to Mr. and Mrs. Benjamin Streater as Philadelphia Mayor Frank L. Rizzo congratulates the happy couple.

Philadelphia Awards First Houses to Urban Homesteaders

With HUD Assistant Secretary H. R. Crawford participating, Philadelphia recently launched a comprehensive urban homesteading program. Despite comparisons of urban homesteading with the harsh farm homesteading that was popular in the American West a century ago, the first 20 families in the Philadelphia program can count on help from the Philadelphia Homestead Board staff, which has been funded with \$200,000 from the city budget. That staff includes an experienced housing planner and specialists familiar with code requirements of the city and real estate financing.

HUD-Owned Properties

Fourteen of the first 20 properties awarded were formerly HUD-owned and had been conveyed to the city for \$1.00 under HUD's Local Property Release Option Program announced by Assistant Secretary Crawford on February 15, 1974. Philadelphia is among the 30 localities which have been offered up to 4,100 HUD-owned properties nationwide to be used for any worthwhile purpose including Urban Homesteading.

Of the twenty homesteaders in Philadelphia, two are Spanish; 18 are black; 11 are married couples and 9 are families headed by a single

woman. The average annual income is \$7,000 and family size ranges from one to six members. The families had been painstakingly selected from more than 1,000 applicants on the basis of need and the ability to renovate the property. Under Philadelphia's program, the houses must be brought up to city code standards within 2 years and lived in for 5 years.

Typical Homesteader

Typical of the homesteaders are Mr. and Mrs. Benjamin Streater, who were awarded a home at 6033 Walnut Street, in West Philadelphia. The Streeters have two children and are the first members of their families to own a home. The repairs needed, including painting, wiring, and plastering, present no problem since Mr. Streater works for a New Jersey contractor and his wife says, "He likes to work anyway."

Michael Soto, head of one of the Spanish families who are homesteaders, is a laborer from a family of 11 children who moved to Philadelphia from Puerto Rico 24 years ago. He and his wife, Carmen, have been told it would cost approximately \$8,000 to repair their homestead property at 3208 North Randolph Street, but Mr. Soto was optimistic that he could perform much of the work himself.

Guidance and Financing

In order to assist the current and future homesteaders, the City of Philadelphia has taken several unique steps to assure the program's success. "We do not simply award a property to a homesteader, congratulate him, tell him good luck and good bye," said Councilman Joseph E. Coleman. Advisory homesteading councils have been set up in various neighborhoods and skilled workmen will offer guidance to the homesteaders. In addition, the Philadelphia Urban Homestead Finance Corporation will make construction loans available to families, and the Pennsylvania Housing

Finance Agency will offer long-term mortgage money at low interest rates to pay off the construction loans.

The homesteader doesn't get the actual money, but a line of credit, and can contract for the work. When it is finished, an independent inspector checks to see whether the work has been done properly, and if he approves, the corporation pays for the work. After the money has been paid out by the Philadelphia Urban Homestead Finance Corporation, the State housing finance agency pays back the Corporation so that it has a revolving fund for future homestead properties.

Neighborhood Revitalization

Despite the modest beginning, interest and enthusiasm in urban homesteading have surfaced in many communities. Philadelphia estimates that over 25,000 properties are vacant and many of these could house low income families who would like the opportunity to own their own home. Perhaps the spirit and concept of urban homesteading were best stated by Mr. Soto. "I think I can be an instrument to make this neighborhood more liveable. Maybe I can get something done about the other boarded-up houses around here. I'm not just going to sit in this house you know." ☞

Homeowners Become Neighbors

A New Approach to Community Stabilization

By G. Phillip Dolan

American cities have become, or are becoming too rapidly the haven of the old, the poor, and the black. Resegregation of whole neighborhoods has become a pattern of urban existence. The evacuation of economic services, the breakdown of public school systems and the higher incidence of crime have followed in the wake of white flight from neighborhoods. The obvious need for improved housing and schooling for upwardly mobile black families accounts for much black movement. White fear of higher crime, lower quality schools, and white racism account for white flight.

Many cities, community groups, or block clubs, have tried to retard this movement. Attempts are made either to keep blacks out or to integrate successfully, but in almost every case, the final result is black families move in; white families move out. For too many years, Saul Alinsky's admonition has been accurate: integration works from the time the first black moves in until the last white moves out. In most cities, the situation today is little different.

Having said all this, perhaps what is going on in Beverly Hills/Morgan Park, twin communities on Chicago's Southwest side, may be of interest. Here, the Beverly Area Planning Association, an experiment in neighborhood democracy, has made a breakthrough. With a little luck, a lot of help, and continued success, what happens in Beverly Hills/Morgan Park may affect urban centers elsewhere, for the key to what is happening is a new methodology—a non-confrontation approach.

Approach Accents Leadership

Since the Association (BAPA) speaks the language of politicians and bureaucrats, and since these people generally want to serve their constituents, all that is done is to offer them a way to serve. The BAPA newsletter comments on their cooperation. Little else is needed. Secondly, unlike many attempts at community organization, BAPA does not spend a great deal of energy

developing indigenous leadership. We provide leadership, ideas and methodology and call upon hundreds of volunteers to carry out their assigned tasks. It works because middle-class Americans are over organized. They prefer clearly defined tasks. It is not difficult, therefore, to identify leadership.

An important aspect of this approach is that we stay away, whenever possible, from permanent committees. Leadership and "high pecking order" people will not serve on committees requiring a full year commitment. One finds too often committees looking for things to do. Therefore, we establish task forces, single purpose, problem-solving groups who meet, solve and report. Long range concerns, education, for example, are assigned to permanent committees, but these are few in number. This method allows us to utilize literally hundreds of volunteers. In most cases we have more volunteers than we can use.

Beverly Hills/Morgan Park has a population of 47,000 people residing in 13,500 dwelling units with a mean family income of \$14,664. The 1970 percentage of non-white (black) residents is 6.5 percent. Another important statistic is that only 6.3 percent of our dwelling units are multi-family; only 23.6 percent of all dwelling units are rented, with an outstandingly low 1.9 percent dwelling unit vacancy rate. Ranking second in academic and economic attainment to Chicago's Lake Shore condominium communities, Beverly Hills/Morgan Park forms a mature community, mellowed by more than 100 years of gracious living. Wide tree-lined streets, an abundance of recreation facilities, dozens of churches, and commuter train and highway access to downtown lead to an emphasis on recreation, arts, education and civic awareness. It all sounds too good to be true, and it is.

Community Threatened by Change

By 1971, Martin Luther King had marched into a community north of Beverly Hills/Morgan Park; property values plummeted; communities to the east of this one had gone the steady block-by-block transition of white to black. Whole communities had resegregated within a few short months. Anxiety was high, fear was everywhere and pace of white flight was accelerating.

Like anxious white Americans before them, some community members let out the shrill cry, "Let's do something." Some suggested violence, others said freeze them out. Still others believed brothers could live together.

Into this charged atmosphere stepped a group of anxious, but thoughtful community leaders—presidents of corporations to small civic group leaders began meeting.

"Idle teenagers...constitute a threat to community stability because of the violence they can generate."

Provincialism was strong, but the patience and dedication of one man, Robert Seward, President of Globe Engineering, held the divergent groups together.

He held separate meetings with the activists and conservatives, convincing each that they had the same desire. "Once this was recognized," Mr. Seward stated, "they knew that without unity, deterioration and total resegregation of the neighborhood were inevitable. From that point, we held private meetings with community leaders who appointed spokesmen to present a united plan to the community." In the end, the decision was to revitalize The Beverly Area Planning Association, an ailing community organization, and hire an outsider not encumbered by loyalties within the community. On February 9, 1972, a new executive director with new offices opened a new page in the historic destiny of an old community.

In the case of Beverly Hills/Morgan Park, two problems were identified immediately: (1) high anxiety and fear of impending racial change, stimulated in large measure by real estate interests; and (2) uncontrolled rumor mongering of rapes, murders, blacks moving in, and incessant real estate soliciting. The job at hand was to stop solicitation and the fear real estate salesmen peddled; to find a way to counteract rumors; and to create an issue that would weaken the natural provincialism existing in such a large area.

Attack Launched

The BAPA launched a full scale attack on unscrupulous real estate practices. Newspapers headlined the first volley, and the public charge was that "real estate salespersons," especially those not regulated by a board with established ethics, are "prostitutes raping the community." The shock wave was instant. Never in a middle-class community had the real estate industry been so publicly chastised. Dozens of real estate brokers called the financial institutions supporting the BAPA demanding that the new executive director be restrained. These institutions in turn, to their everlasting credit, refused to make any such move. Today there is no real estate solicitation by mail, telephone or door-to-door. Should an unknowing real estate firm make the mistake of calling into our community, it is reported to BAPA by residents and the staff immediately contacts the firm. We present the firm with a map of our boundaries, and in judicial language explain that much like Teddy Roosevelt, we walk softly, but carry a big stick. It must be in the way we follow through, because seldom is there a second problem with that firm. We treat black and white firms equally: "Don't call use, we'll call you."

Without "pester peddling" from real estate firms,

white flight slowed and home prices began an upward climb. Between November 1970 and July 1973, the mean sale price of homes rose \$2,500.

In the meantime, one volunteer committee, the Real Estate Practices Committee, composed of lawyers and other knowledgeable people, joined a solicitation case before the Illinois Supreme Court and generally acted as a watch-dog group. They researched the law for ways to halt solicitation legally. In a city where "clout" is well understood, it became clear almost immediately that the economic and political "clout" residing within the community was 100 percent behind the Beverly Area Planning Association.

Following a successful plan worked out under Mayor M.E. Sensenbrenner of Columbus, Ohio, the BAPA established a rumor control system and marketed its number through churches, neighborhood newspapers, civic groups and eventually through an eight page monthly newsletter published by BAPA for each of 13,500 dwelling units within the organization boundaries.

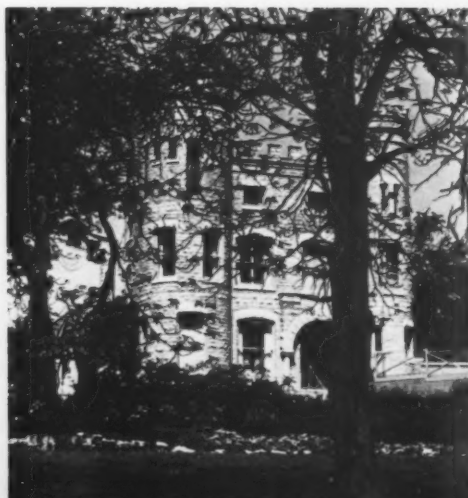
The staff handling rumor calls has been calm, never responding in anger and always giving a factual response when accurate information is available. In the event sufficient information is not available, the staff calls back later with proper and factual data. Our network of governmental, educational and financial contacts is so extensive, there is rarely a problem in getting the truth.

The impact of this problem has been amazing. Between fifty and sixty calls daily are received in our office. In the past, an overwhelming number were sparked by anxiety or fear. Two years and many dollars later, the number of calls has not dropped, but their tenor has changed. Today, most of our telephone calls are for help in obtaining city services; and responding to these requests is not difficult because we have the full support of our alderman, Thomas Fitzpatrick, and other city officials.

Between February 9th and December 31st, 1972, the executive director spoke to just under 5,000 people generally in groups of twenty to forty. Morning and evening coffee klatches and civic association meetings allowed us to penetrate the community with our "good news". It became clear that we were making headway. From our listening posts in beauty It became clear that we were making headway. From our listening posts in beauty shops, barber shops, food stores, drug stores, banks, savings and loans, churches, and civic association leadership, the word came back—anxiety was lessening. "Not only is anxiety down," says Madelin Kutsulis, owner/operator of the Elegante Beauty Shop, "but people have been calling me for homes lately. One lady last year



Property values are increasing.



said she wouldn't live here because it was a changing neighborhood. This year she called again and moved in. I can't recall anyone recently showing signs of anxiety."

Fears and Crime Disappearing

Judging by the questions asked at our meetings and rumors telephoned into our office, the number one source of anxiety was fear of crime, real or imagined. It was not possible to do something dramatic about crime, so we systematically ate away at that fear by a constant reiteration of positive crime data. First we segregated the community out of available crime data and began reviewing Part I crimes on a daily basis for our area alone. We released information on a comparative basis—Beverly

"We entered the meeting as homeowners and left as neighbors."

Hills/Morgan Park compared citywide, with the suburbs and the Nation. It was not difficult to show crime in the suburbs skyrocketing; nor was it difficult to show comparisons of our seven square mile community with national FBI data.

Later, crime data was broken into thirteen civic association areas, and in certain particularly nervous neighborhoods, broken block by block. The information and news stories of these findings helped lower anxiety considerably, but monthly meetings with district police commander William Woods and daily contact with his office staff helped us even more with our efforts to report factual information over Rumor Control. Additionally, we pointed out to our commander, who never felt threatened by citizen participation, that Beverly Hills/Morgan Park residents returned home on a commuter train a little later than others in this district. He agreed to try an experiment of assigning patrol cars to the vicinity of our railroad stations during peak arrival times. It was not long thereafter that BAPA and the police were receiving praise from black and white citizens alike. On Fridays, on a periodic basis, plainclothesmen were assigned to protect against purse snatching, resulting in a dramatic drop in crime which was reported in our newsletter, church bulletins and neighborhood press. (In a survey, 83 percent of the community felt we had adequate police protection.)

In fact, after two years, crime generally has dropped in our community, while suburban and city crime grows in the Chicago area. Our major crime of auto theft dropped 5 percent, burglaries dropped 13 percent. The arrest record has been sufficiently high to encourage would-be auto thieves to steal vehicles with suburban stickers parked at our railroad stations. There is a general feeling within the community that this is a positive aspect to crime occurring in Beverly Hills/Morgan Park. There are problems with white and black gangs, dope and alcohol, but these are small and remain in check.

Racial Conflicts Checked

There remains the problem of black/white confrontation—usually youths damaging property or otherwise threatening homeowners. Generally, the problem occurs on bi-racial blocks closest to the adjacent black community. Some white kids from other areas of our community and some from without the community come to the integrated areas, set fire bombs, break windows, and chase black children out of the park. Black

teenagers in the area, or from elsewhere, have threatened whites on the street, stolen bicycles away from their white riders, gathered in large groups and walked by white-owned homes shouting vulgarities and asking why the white family remains in the area. Indeed, such black groups even threaten middle-class black families to the extent that many of these families have called BAPA and suggested that if the gangs cannot be controlled they would be forced to leave the community. In fact, many middle-class blacks have fled from an area into which a lower socio-economic element of black family has moved. Under these trying conditions, whites move too.

To lessen racial tensions on these blocks, we held meetings, first with whites, then with blacks and finally together. In one case, a block was 50 percent black, a white resident responded in the newspaper after one of our more successful meetings: "We entered the meeting as homeowners and left as neighbors." This had been a three hour meeting carefully utilizing group sensitivity skills.

But problems continued. Blacks of a different socio-economic background found access to one area of the community. Two hundred eleven of these families were impacted into one small school area. The school grew by more than 800 in two years; stable black families increased their calling to our office pleading for help. Then they, too, fled. Prejudices were reinforced, and stress remained. In other areas, however, blacks bought homes through conventional mortgaging and there have been fewer problems. In these cases, BAPA gathered data on the black family and reassured callers to Rumor Control. In a few cases, block meetings were held to calm fears.

BAPA offered a major reward for evidence leading to conviction of those engaging in vandalism and fire bombing. Some whites complained, but there was clear support for this action, not only by blacks, but predictably by the white middle class. Most people, it seems, abhor violence.

The District Police Commander responded to these problems well, and imaginatively. A black officer and white officer unassigned to any regular beat now visit with families having problems with, or that are fearful of, the other race. These men are carefully chosen. They work from early evening to early morning. Their efforts have lowered anxiety, quieted areas, and generally have been very successful. They stop by the home of the executive director on a regular basis to update or broaden their information. Again, communication between the police and the community is a major factor in stability

Community reflects pride of its residents.



and containment of major racial confrontation.

Stabilizing crime takes more than police enforcement. Citizens have been encouraged to contact the police or BAPA when they see strangers or problems. Homeowners have been requested to paint their addresses on the alley side of their property, allowing patrol cars to identify their location with ease. The decrease in major residential crime is apparent and has elevated Beverly Hills/Morgan Park to a position of one of the two safest neighborhoods within the city.

Problems in Education Addressed

Selecting the high school principal for District Superintendent was an important success for our community. To do this a well orchestrated public and private effort was undertaken. There was some resistance to be sure, but again, an organized, nonconfrontation, politically sophisticated effort brought a quiet victory.

The same quiet effort occurred in reducing the size of the school district. The original district was twice as large as any other district within the city. Allocations of special teachers, psychologists and the like are assigned by district. A large district obviously was short changed. Again there was opposition, but again success prevailed and the district was reduced considerably.

BAPA engaged in another project of importance to better educational opportunities for community children. The education committee established a resource file of community people with special trades, hobbies and professions. Any teacher, public or private, could call upon this resource as an instructional aid. Pilots, female lawyers, electricians and dozens of other interesting citizens volunteered to be resource people. This service and others relating to education are available for any elementary school feeding into the public high school. This means totally black schools, Catholic and private schools, have called upon us for aid and cooperation. It has been a very healthy experience, helping many of our residents break down the barriers of mistrust between black and white families.

"If people on a block do not know one another, they do not trust one another."

Meeting Recreation Needs

In Beverly Hills/Morgan Park, we now have more younger people than ever before. The park and recreation facilities, though abundant, fall short in some areas. One identified problem is providing constructive energy outlets for young people between the ages of fourteen and nineteen. Compounding this challenge is the fact that so many community young people attend a variety of parochial high schools throughout the metropolitan area. This is important in that the web of unity and loyalty is missing. Group identity is a serious problem; or stated in another way, anonymity is the problem.

Formerly, people in communities knew most of the neighborhood teenagers. In urban America today a youngster walks out of his home, says hello to neighbors on both sides of him, walks down the block, turns the corner and throws a rock through a window. Idle teenagers, too, constitute a threat to community stability because of the violence they can generate.

To counter these negative effects on the community, a youth task force has been initiated composed of both professional youth workers residing within the community and interested lay people. Their primary activity is crisis intervention with those families who are unable or unwilling to control their children. In addition, the task force and the Parks and Recreation Committee have jointly pushed for more than just sports activity. Families have been encouraged to open their homes on weekends, and churches have been encouraged to sponsor recreational and social activities. Even with this activity, the youth problem is not yet under control, and it will not be until a total community program is created.

Building toward a day when more and more people believe that the problems facing this community can be resolved, the BAPA has fostered a way of breaking down urban America's number one problem of anonymity. If people on a block do not know one another, they do not trust one another. When a black family moves in this distrust often causes panic. Frequently neighbors will be tempted to sell for fear others might. "Will the others sell, should I sell first?" The lack of communication only compounds this fear. Finding a way for neighbor to meet neighbor then becomes the challenge. Block parties became the answer.

A block party is a genuinely pleasant event. The street is closed; each family contributes to the banquet of homemade foods; waste baskets are set up and collected by the city; the Fire Department brings a truck and the children ride around the block; games, songs, and mer-

riment permeate the event. Oldsters, youngsters, and those in between get to know one another. Later, the children are off to bed, and the adults and older teenagers gather under a street light sipping the last of the liquid refreshments, and often conversations linger late into the night. Literally hundreds of these parties are held during the summer months and each year more blacks "get it all together."

Last winter some blocks tried Christmas parties and in one case 68 people—five to sixty-five years of age—ate, drank, and sang together. One person on the block took his house off the real estate market. *This was home.*

Racial Balance Valued

At the outset, the questions raised were: Under what conditions will whites and blacks live together? What ratio, what quota, what anything will stem white flight? White flight can be stopped if there is public recognition that there is a united community effort to effect crime reduction and maintain general neighborhood tranquility, if public school educational standards are sustained, and if property values do not decrease.

White and black families can live together so long as neither feels threatened or oppressed by the other. However, and this is the tough problem, if whites feel they are to be inundated with block by block resegregation, then none of the other factors matters much. Blacks must help, then, by not moving in an area just because other blacks live there. Blacks should recall that they are moving to better themselves. Allowing the community to resegregate only creates hardship later. Whites, of course, must learn that if they are running only from blacks, there are fewer places to go each year.

The key issue is racial balance. The question remains how does a community prevent impaction; how and with whom does a community negotiate a balance?

The lesson of Beverly Hills/Morgan Park is that this community has almost every ingredient of success—organized political clout, organized economic clout, a \$135,000 budget, a super-strong community association providing leadership and hundreds of volunteers. If community stabilization cannot happen in Beverly Hills/Morgan Park, it cannot happen in any urban area in America.

Mr. Dolan is a consultant on urban and political affairs and executive director of the Beverly Area Planning Association, a nonprofit consortium of financial, business, religious and community groups within the Beverly Hills/Morgan Park area of Chicago.

New York's Experiment in Tenant Safety

By Samuel Granville

Tenant patrol operations cover wide range of activities.





The incidence of major crime within New York City's public housing projects is only about a third of that for the city as a whole. Nevertheless, it is a cause of intense concern to the Housing Authority and our residents. We have studied many proposals for improving security in our developments and have adopted those which give the best promise of increased security at manageable cost. Some are in the experimental operating phase, while still others are in the planning and design stage.

Citizens of New York, like their counterparts the world over, depend upon their municipal police force for their basic security. Public housing tenants also rely upon the municipal police force for their basic security, but the New York City Housing Authority also provides a supplemental police force of some 1900 men. This force operates exclusively to provide additional police protection for the more than 600,000 residents in public housing.

These limitations in New York's as well as other tenant patrol programs are outweighed, by far, by the advantages—one of which is noted by Luther Williams of 120 Kingsboro 1st Walk in Brooklyn. "Because of the tenant patrol, Kingsboro has now become one large family with everyone showing love and respect for each other."

Tenant Patrols

From a search for economically feasible ways of meeting the pressing demand for greater security there emerged the tenant patrol idea. We explored the possibility that our ten-

ants might be willing—in view of the depth of their concern—to make some contribution to their own security. If tenants could contribute in a way which would substantially increase the effectiveness of our current



police forces, and at the same time gain a greater understanding of the problem of providing adequate security, everyone might benefit.

At this point, some five years after the tenant patrol program began, we feel it has succeeded far beyond our expectations. There are now more than 12,000 tenant volunteers involved in approximately 120 patrols operating in every borough in the city. In many cases, the impact of these patrols on criminal activity and interior vandalism has been dramatic. In every case, the presence of the patrols has furnished some measure of reassurance to the residents.

As important as these direct gains have been, we have been equally gratified by an important by-product of the patrols—a greatly enhanced participation and responsibility among large numbers of tenants.

In terms of effectiveness, interest and involvement of tenants, the tenant patrol program represents the most successful of the many approaches to the security problem beyond uniformed patrolmen and improved hardware.

Tenant reaction offers the best gauge of the success of tenant patrol in the city's projects:

"Our patrol has made our building a safer and cleaner place to live," says Mrs. Elease Witherspoon, commenting on changes in her Amsterdam Avenue complex since tenant patrol was instituted there.

"Tenant patrol is doing a marvelous job in 1010 East 178th Street and New York City as a whole," says Mrs. Violet DeGenspe.

Mrs. Maude Askins is satisfied with how tenant patrol has changed the Queensbridge community by "bringing the tenants closer together."

"Tenant patrol means security, but it also means people of all races and nationalities relating to each other," said Rudy Frank of 2861 Exterior Street in The Bronx. "And, after all," he added, "what's more important than people communicating with one another."

Plan Built on Voluntarism

With the exception of a few projects in which it was possible to hire young men with Youth Corps funds, the plan relies on tenant volunteers. The program has, in fact, been uniquely successful in enlisting low-income tenants in a program of self-help and, in the process, creating better management-tenant cooperation.

Although the tenant patrol program operates largely on a decentralized basis, with the housing manager giving guidance to an essentially autonomous patrol, assisted by a locally hired part-time patrol supervisor, we have found a central unit most helpful; there is just no substitute for the drive, enthusiasm and expertise that a small staff of dedicated employees, assigned full time to this novel program, brings to bear on the numerous details and problems involved. The tenant patrol unit currently includes an assistant housing manager, a housing assistant and three part-time consultants, who aid in the formation and maintenance of patrols in the various developments. The duties of the assistant manager and housing assistant reflect the central supervision we provide. They:

- supervise three part-time consultants;

- maintain liaison with project managers who call frequently for advice concerning initiation or operating problems of tenant patrols, purchase of equipment, etc.;

- review weekly reports from patrol supervisors and follow up on special problems with the managers. Inevitably, they get many requests for information directly from tenant patrol supervisors, although it is our policy to refer them to the manager, if at all possible;

- review requisitions for equipment;

- attend meetings at projects about once a week;

- prepare a monthly report;
- prepare the tenant patrol newsletter;

- conduct a monthly meeting with the tenant patrol supervisors at Central Office; and

- establish a training program for tenant patrol members and supervisors.

It would be unfair, however, to expect volunteers to carry the whole burden at the local level. A patrol might number 100 or even more members, giving a few hours a week on various shifts in different buildings. Recruiting, scheduling even minimal supervision of members of the patrol, and filing reports necessary for insurance purposes require more work than can reasonably be expected of a volunteer. We have therefore authorized projects to hire one or two tenants as tenant patrol supervisors, working 10 or 20 hours per week at \$3.00 per hour.

The tenant patrol supervisor's job is not an easy one. Inevitably, some volunteers resent the fact that only one member of the group gets paid. This is particularly true among low-income persons who have generally been found difficult to organize for volunteer work and who often have a real need for supplementary income. However, this has proved to be much less a problem than we anticipated. Patrol supervisors, carefully selected by housing managers after consultation with members of the patrol, are often men or women respected as

community leaders. Most of them voluntarily put in more hours than they are paid for. On the whole the position has worked out well.

The careful choice of local tenant patrol supervisors is essential to good rapport with existing tenant organizations whose active support and sponsorship of the program are highly desirable. Quite commonly, in fact, the first steps toward a new patrol are taken after a manager, discussing security problems with the project tenant organization, mentions how tenant patrols in other developments have helped to alleviate some of these problems. In other cases, unorganized tenants, petitioning the manager concerning security, supply the initial impetus. As a matter of fact, the patrol program successfully involves many men who are not organization-minded and have shown little previous civic interest. This is one of its most encouraging aspects.

Some Problems to be Expected

It would be misleading to assume that widespread tenant participation is generally easy to achieve or that it usually arises spontaneously. Sometimes there is outright opposition, even in projects that badly need a patrol. Tenants sometimes insist that it is the obligation of the housing authority or the city to supply all necessary protection, whatever the cost. We do not attempt to set up a patrol in the face of such opposition. Our very limited central staff can barely keep up with demands for advice from projects where tenants have expressed an interest in the program. Not infrequently, opponents become supporters when they see a successful patrol in operation in a neighboring project.

A more common problem than opposition is insufficient tenant participation that limits the program to only a few of the buildings in a development. While our experienced staff can be very helpful in recruiting, we can do no more than tenant interest permits. It is *the tenants'* program. Tenants set the hours and make most of the other decisions governing the local patrol. The pro-

gram can only go as far as they want it to go. This is entirely as it should be. Meaningful tenant participation must be voluntary.

Many of the patrols, working closely with the police, have been remarkably effective in reducing loitering, purse snatching, mugging, and vandalism. As trouble makers learn to stay away from buildings protected by the patrol, its members sit in the lobby and, well, "nothing happens." That is what they are there for. But it can be boring!

We have therefore authorized various aids designed to build pride and maintain interest. These include arm-bands, jackets, light refreshments, indoor-type games for patrol headquarters, etc. Awards, testimonial dinners, and other forms of recognition are also helpful. In the long run, however, a patrol will last only if it brings a continuing sense of satisfaction to its members. Practically speaking, this means that a social component must be built in.

To this end, we provide a room for the patrol wherever possible. Unused carriage rooms located off building lobbies are ideal for this purpose since they permit members to socialize and at the same time keep an eye on the lobby. Often, however, two or three tenants simply sit in the lobby, using a table and chairs we provide, and control access to the building. Women, too, find a place in the patrol and their very presence serves to counteract a fear psychology that might have been prevalent before the patrol became active in a particular project.

Social Benefits Weighed

The social aspect of the tenant patrol is important in a number of ways beyond the indispensable function of helping to maintain interest. It helps to build up tenant pride and civic interest. In some cases the local patrol headquarters has become a gathering spot for off-duty members and for teenagers involved in constructive activity. Moreover, as patrols have developed in this manner, fears that they might turn into vigilantes have diminished.

Close cooperation with police, primarily the housing authority's own force, but also municipal police, likewise helps to curb any latent impulses toward the vigilante spirit. Such cooperation is basic to the entire tenant patrol concept. Members are told at the very beginning that they are not expected to be policemen. Their job is to act as a deterrent, and to call the housing police if trouble develops.

We make it easy for the patrols to call the housing police by providing them with phones and in some cases walkie-talkies. All housing patrolmen are equipped with walkie-talkies, so that quick communication is assured.

The housing authority has not reduced police coverage where active patrols exist. Rather than act as substitutes, the patrols have increased the effectiveness of housing police, acting as eyes and ears for the uniformed patrolmen and giving them the feeling that they are backed up by a group of responsible, interested tenants.

There can be no universal formula for the setting up of tenant patrols. The tenants are the first, and major, variable factor. Even where local conditions obviously require additional security measures, their willingness to volunteer determines whether a patrol can be established at all; they set the hours of operation and the program of patrolling—whether lobby attendant, escort service, outside patrol, building patrol, or a combination of these methods.

The tenants will probably be guided by the size and layout of the buildings in deciding upon the most suitable methods of patrol for their development. In New York City, high-rise buildings averaging about 130 apartments are common. Such buildings, with their large number of tenants and sizable lobbies, are well-adapted to a system of control by lobby attendants. We also have projects made up of low-rise buildings; in these, escort service (for the elderly, or for working women coming home from late shifts, etc.) from one or more central points has been found very useful.

Senior Citizens Play Role

One of the unforeseen aspects of the tenant patrol was the extent of participation by senior citizens. They sit in the lobbies of high-rises, teamed up with younger men, or help to man patrol headquarters. At the other end of the scale, youth patrols are better suited to escort service, or outside patrol. Thus, the kind of manpower available may influence the kind of patrol that is set up.

For those who have taken part in it, the growth of tenant patrols in New York city housing projects has been an exciting adventure. Wherever the patrols were given a fair try, they have contributed greatly to project security. Moreover, while the size and quality of the patrols vary greatly from place to place, they have all, to some degree, provided a meaningful additional avenue for tenant participation in project life. Many tenants are learning that working together with management they can indeed be effective in improving their environment. *(This may be the most significant outcome of the program.)*

New Security Measures Under Review

In another direction, the New York City Housing Authority has underway two experiments growing out of its relationship with Professor Oscar Newman of the Institute for Security Design. The first of these involves the application of his defensible space concepts to a row type garden apartment complex (Clason Point Houses) as part of a modernization program. It is too early to assess the impact of these changes on the total security of this development. Preliminary indications, are however, that significant changes have taken place in the incidence and profile of crime there.

The other experiment, at our Bronxdale housing development, involves installation of electronic surveillance and sensing equipment in selected buildings of a typical seven story, 28-building, elevator-equipped development. These devices are part of an overall space modification system using Professor Newman's defensible space concepts again. This

experiment involves the installation of television cameras in modified building entrance lobbies and the elevators of selected buildings. The television receivers in the tenants' apartments may be tuned in on a special channel to receive the signals from these cameras. Thus the tenant may see a visitor on his TV set before operating the door buzzer to let him in. He may also follow the progress of his visitor into and out of the elevator. The tenant thus has not only aural but visual contact with any would-be visitor. Also, at strategic locations, other TV cameras are placed so as to "sweep" and "zoom" the various walks and building entrances. These cameras feed into a central console manned by a tenant patrol member. Other parts of this experiment involve devices which permit audio monitoring of an elevator from the various floors and monitoring corridors by devices installed on the apartment doors.

In the design stage is an experiment to test the effectiveness of a strategically located observation booth with a 360 degree revolving "zooming" TV camera mounted on its top. The booth and camera will be so located as to afford visual observation of a maximum number of building entrances. It will be equipped with a telephone for rapid contact with the police as well as the lobby patrols. It will probably be equipped also as a walkie-talkie base station.

The reader should not lose sight of the fact that these programs are based upon the installation of sound "hardware." A first line of defense in any building security program is a reasonably effective lock system and adequate lighting; and, finally, tenant patrols cannot substitute for basic uniformed police protection. ☛

Mr. Granville is Deputy Director of Management in the New York City Housing Authority. He is indebted to Mr. Bernard Moses, Chief Manager, New York City Housing Authority, for his assistance in organizing material for this article.

in print

Economics and Urban Problems: Diagnoses and Prescriptions, by Dick Netzer. Second and enlarged ed. New York, Basic Books, 1974. 275p. \$8.50.

In this second edition of *Economics and Urban Problems*, Dr. Dick Netzer addresses himself to seven of the major problems of American cities which have important economic causes or consequences. In an informative and readable style, he applied the tools of economic reasoning to such matters as inner city decay, housing, transportation, pollution, urban poverty, decentralization and changes in land use, and the financial woes of municipal governments. In addition he is concerned with "the seeming inability of our wealth to buy an environment in which everyday living is convenient, abrasion-free, visually satisfying, not prone to breakdown, and free from a built-in ecological self-destruct mechanism."

The author of this widely adopted text, hailed by the *London Economist* as "unrivalled," is Professor of Economics and Dean of the New York University School of Public Administration as well as Chairman of the Inter-University Committee on Urban Economics.

The book's introductory chapter has been enlarged in this second edition and Dr. Netzer has defined a number of basic economic ideas in lucid, non-technical language. He gives clear and detailed background information on the field of "urban economics." Coined in the late 50s, this term covers how and why people and economic activities become concentrated in cities and within specific areas of those cities, causing variation in growth rate for urban centers. These intra-metropolitan location decisions are explained by the "trade off" theory of urban economic structure. Decision makers will find here a helpful, practical frame of reference from which to evaluate urban policy options.

The author recognizes that economics offers no panacea for urban ills, but shows us that it can help us cope more effectively with many aspects of our cities' woes. In the field of urban poverty, income-maintenance policies and employment policies are considered—not as mutually exclusive alternatives, but with the former as a necessary precondition for success with the latter.

Moving on to the area of housing markets and policies, Professor Netzer illustrates the interrelated nature of housing strategy and income strategy, and, indeed, all other strategies for the various urban problems he covers. He points out that a government-financed increase in incomes for the urban poor may result in nothing more than an immediate sharp rise in rents with no improvement in their housing, since it takes time to increase the supply of upgraded inner-city housing.

Reviewing governmental housing policies from the Housing Act of 1949 to the present, he discusses public

housing, urban renewal, mortgage credit programs, the property tax, rent controls, housing code enforcement, zoning, and finally the housing allowance, which seems to many economists to be "one of those rare policy options that combine equity and efficiency." After considering three key housing problems—the low quality of housing for the inner-city poor, the vast areas of aging and stagnating neighborhoods surrounding the slums, and the limited range of housing choices for most families in our metropolitan areas—Dr. Netzer concludes that no single housing policy instrument can provide a solution. A combination of new and traditional approaches, each having a modest impact, and each avoiding contradictory policies that offset the benefits of the others, is more likely to produce the desired cumulative effect. He, therefore, recommends manipulating existing and proposed housing policies to maximize benefits and minimize shortcomings, rather than searching for the impossible-to-attain ideal instrument.

Additional chapters cover land use and zoning ("deviations from the plan are likely to be desirable on many occasions"), pollution ("stopping economic growth to achieve a better environment seems both unnecessary and unwise at this point in the world's history"), and transportation ("it is not inconceivable that subsidizing auto ownership for poorer urban groups [seeking jobs in the suburbs] might be the most economical solution to the immediate problems").

A final section of the book entitled "Raising the Money" covers the financial prospects for urban governments which are currently coping with strongly unionized public employees, voter rejection of new taxes and bond issues, and rising inflation. While the fiscal outlook for large central cities and moderate-income suburbs looks discouraging, that for State governments and affluent suburbs appears brighter. Federal revenue sharing and a greater role for Federal and State governments in financing urban needs offers one solution.

Concluding that the purpose of his book is to encourage readers to consider from the economist's point of view the numerous urban policy alternatives, and to choose the most efficient methods of achieving the most desirable goals, Dr. Netzer reminds us that radical surgery is not always necessary. We should remember that "existing institutions and policies have negative, as well as positive, economic effects on the resolution of urban problems. The mitigation of the harmful effects, by revising existing institutions, may be more important than any conceivable combination of glamorous and wholly new institutions, policies, and mechanisms."

—Elizabeth A. Stallings
Reference Librarian, HUD Library

U.S. and U.S.S.R. Sign Agreement on Housing Cooperation

Information Exchange Planned

The agreement between the two countries also provides for examination and evaluation of new construction methods and materials, and for cooperation in planning, design, and construction of new towns. The Soviets have, for many years, been known for the impressive number of reinforced concrete housing units they have built, and for extensive construction of new towns since World War II. While it is recognized that the American market demands a wider variety of materials and styles, there is something to be learned from the Soviet ability to produce such a volume of units under a variety of climatic conditions, and over a geographic area even greater than that of the U.S.

There will be many opportunities for the research community, and for the private sector generally, to participate and benefit from these information exchanges. Certainly, better use of modern technology in the field of housing and other construction will contribute to a more rational use of the materials and manpower resources in both countries. Improved living conditions through the construction of better housing, and preservation of life through safety studies done in joint seismic research are issues that transcend national boundaries or political issues. It is hoped that this agreement will provide a better understanding of the techniques of planning and construction and thereby an improvement in the quality of life in both the U.S. and U.S.S.R., and for all peoples. ☛

*-L. Wayne Gertmenian
HUD Special Assistant
for International Liaison*



President Nixon and Aleksey Kosygin, Chairman of the Union of Soviet Socialist Republics Council of Ministers, signed an Agreement on Cooperation in Housing and other Construction June 28, 1974. This agreement expands cooperation between the U.S. and the U.S.S.R., calls for exchange of information on several subjects, and provides for joint research projects.

The possibility of such an agreement arose during preparations for President Nixon's visit to the Soviet Union, and negotiations were held in early May in Moscow. The US delegation was headed by HUD's Under Secretary James L. Mitchell, who was accompanied by the writer and a technical staff from HUD, including Quinton R. Wells from the Office of the Assistant Secretary for Housing Production and Mortgage Credit and William J. Werner from the office of the Assistant Secretary for Policy Development and Research. The Soviet negotiating group was headed by Ivan Ganichev, Vice Chairman of the U.S.S.R. State Committee for Construction.

A major topic for U.S.-U.S.S.R. cooperation under the agreement is the development of performance criteria for dwellings in areas prone to earthquakes, with special emphasis on

the relationship of geologic conditions. As an early outcome of the agreement, a joint research project has been tentatively adopted on this subject, and will include, among other items, examination of residential structures built on similar types of soils. The Soviets have made significant progress in the selection of engineering criteria related to the potential frequency and severity of earthquakes. It is hoped that better knowledge of Soviet experience will advance U.S. efforts to reduce or mitigate the consequences of earthquakes in fault zones in the United States. Researchers will pay special attention to the behavior of building elements at their joints and connections. This will be accomplished through field observation of existing buildings.

Another subject of study will be the improvement of construction in extreme climatic areas, including cold and arid regions, with special focus on difficult and unusual soil conditions. Conditions in Alaska and the northern border states are similar to those in vast areas of the Soviet Union, where construction of all types is taking place on a massive scale. Knowledge of Soviet experience may reduce U.S. research costs and shorten development time.

To provide information and training to our more than six million members aged 55 and older, the National Retired Teachers Association and American Association of Retired Persons (NRTA-AARP) initiated in 1972 a crime prevention program conducted as a community public service project. The concept of crime prevention espoused throughout the program is defined by Dr. John Klotter of the University of Louisville, who believes effective crime prevention involves the anticipation, the recognition and the appraisal of a crime risk, and action to reduce or remove that risk.

Program Responsive to Elderly

The NTRA-AARP crime prevention program consists of four two-hour sessions on the subjects of street

Crime Prevention for the Elderly

By George Sunderland

crime, residential burglary, criminal fraud and community-police relations. A script is provided for each program coordinator to use in conducting the four sessions, and an informative film is included in each presentation.

During the developmental phase of this program, our associations undertook extensive research into the aspects of crime which most affect older persons and an examination of existing crime prevention activities. Using the data that was collected, we were able to design a program especially suited to the needs of the older population.

Our primary concern in structuring the program was to provide information about those crimes that are likely to be committed against the older person or which he fears most. Hitchhiking and other behavior associated with youth are not covered. The course does, however, cover mugging, armed robbery, purse snatching and other crimes that victimize older persons.

Although many older persons have long expressed fear of murder or rape, national statistics indicate that

the elderly have a very low probability of becoming a victim of these crimes. An examination of crime statistics from several major cities demonstrated further that the vulnerability of persons over 60 to murders or rapes committed on a stranger-to-stranger basis is even lower. We found that most of the crimes in these categories could have been avoided through use of simple crime prevention techniques which are incorporated in the NRTA-AARP program.

In another instance—burglary—despite statistical evidence that this is the most frequently committed crime, an analysis conducted in one major city disclosed that more than 35 percent of the residential burglaries were committed by persons entering through unsecured exterior openings. Here again, a discussion of simple locks and other devices for protecting residences can be a positive deterrent to crime and at the same time allay unnecessary concerns of older persons.

Criminal fraud, we found, is a crime about which older persons seem to be largely unaware, but it should be one of their major concerns. It is the one crime which affects the older population out of proportion to its numbers.

Armed robbery is considered by the elderly as a great threat, but most often it deprives the victim of a very small amount of money. Swindles, however, can be much more devastating if the victim loses a "nest egg" which provides both tangible financial support and significant psychological satisfaction in later years.

But how can we effectively educate the older persons in methods to deter these "white collar" crimes?

Preventive Measures Taught

In the NRTA-AARP Crime Prevention program, we try first to convince the participant that anyone—at any age—of any intelligence—can be swindled. A recounting of case histories of swindles involving highly intelligent and knowledgeable persons is a significant educational tool in this respect.

As a second step, the program identifies the variety of bunco games which prey upon the uninformed and provides a list of key words or phrases to warn potential victims that a proposition is not entirely on the up-and-up.

Many times in speaking to this subject, I have been asked to describe the new bunco schemes, and indeed they are many. My reply, however, must be that our primary concern should be about the old ones since they are still working so well in updated versions. The old "snakeoil salesman" may appear as the peddler of quack food supplements or treat-

"Effective crime prevention involves the anticipation, the recognition and the appraisal of a crime risk, and the initiation of action to reduce or remove that risk."

ments for cancer, but the scheme remains the same.

The final segment of the NRTA-AARP program on community police relations was added to encourage individuals to work with existing law enforcement agencies to reduce the incidence of crime in their communities. Through the use of resource persons from law enforcement agencies at our crime prevention meetings, many persons have been informed of ways to support law enforcement efforts and to utilize more effectively the services of their local police or sheriff's department.

There have been significant spinoffs from this portion of the NRTA-AARP program. Once people began thinking in terms of preventing crime rather than resigning themselves to a feeling that nothing could be

done, many innovative programs have been developed.

In one highrise public housing project in a major city, tenants were subjected to criminal attacks on their way to the bus stop—often while returning from the bank with Social Security money. Working in cooperation with the local transit authorities, the tenants and the project director were successful in having the bus stop moved to within view of the director's office door. A tenant-manned volunteer watch program was initiated so that the police department could be informed instantly if a crime situation developed. As a result of these actions, the crime problem for these tenants was to a great extent solved—without a great expenditure of funds.

In another instance, the burglary problem which had plagued tenants in an elderly housing unit was relieved by a change to inexpensive but more effective locks on apartment doors.

These crime prevention activities have demonstrated that there are many possibilities for reducing criminal victimization through immediate and often simple actions. Unfortunately the solutions to social and economic problems in our society which contribute to or actually cause criminal activity have not yet been found. But too often a concentration on these major issues leads us to overlook the immediate crime prevention measures which can help those most affected by crime.

Some day we may develop an "anti-crime pill" or find other methods of diverting criminally inclined persons into socially constructive activities.

In the meantime, however, we hope through our NRTA-AARP crime prevention program to provide the older population with a means of coping with the problems of crime today. ☺

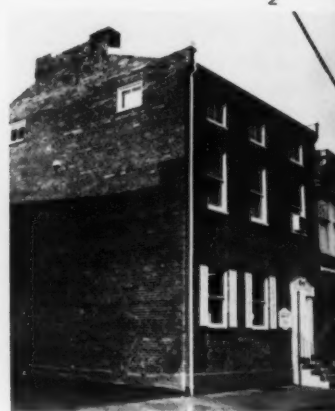
Mr. Sunderland is coordinator of the crime prevention program of the American Association of Retired Persons-National Retired Teachers Association.

Cumberland Comes Around

By Frank Coppia

Cumberland, Maryland, population 29,000, lies in the ridge and valley country of the Appalachians. Almost equidistant from Baltimore, Washington, and Pittsburgh, for a century and a half it was a main gateway to the West. Baltimore Street in Cumberland was the beginning of the Old National Road, the first road project of the Federal Government. That street was the hub of commerce in the area for almost 200 years when the automobile and the mobility made possible by high speed roads provided easy access to suburban shopping centers. The suburban shopping center boom lured business and customers from the center city and took the zip out of Baltimore Street's shopping district. The tax base fell and owners were reluctant to invest in maintenance costs of buildings rented to commercial concerns with questionable futures.

This initiated a vicious circle of decay. Business went from good to



1. & 2. Old structures slated for rehab
3. & 4. Proposed shopping center (top)
and full-service drive-in bank



marginal and buildings from standard to substandard. Residents of Cumberland remember the opening of Searstown in 1963 and the movement of traffic from downtown. To shoppers, it was exciting. To Cumberland storeowners, it was a serious blow. In 1963 the Cumberland Urban Renewal Agency (CURA) was created and urban renewal emerged as an instrument for reversing the tide of urban decay.



Focus on Downtown

Cumberland's program philosophy is based on the concept of attracting persons to the downtown area. CURA first instituted a program emphasizing private development in terms of new construction and accomplished it by such things as the Glosser Brothers shopping center, Holiday Inn, etc.

Coming now is the program of public construction, including improvement, underground utilities, construction of a municipal center and parking garages, and overall landscaping and beautification.

The third major area is rehabilitation of existing buildings. This is being accomplished at a time when major new private construction has



The old and the new figure in downtown rehabilitation of Cumberland.

been completed or is nearing completion and public improvements are underway. The value of real estate has increased as the attractiveness of downtown begins to demonstrate investment opportunities. In addition, the agency initiated this when construction financing was readily available.

Cumberland currently has only a few small parcels of vacant land for sale. This is a unique feature of the city's program, and probably the one single factor contributing most to its success. Buildings are demolished only after commitments for development have been obtained or can be within a reasonable period. Land is appraised the second time when the renewal agency knows exactly what will be built on a particular site and has developers interested in purchasing the property within a relatively short period of time.

Land is reappraised for a specific use. This is more equitable to both the purchaser and the agency than appraising land at an earlier date and finding appraisals obsolete when the agency is finally able to sell.

Twenty million dollars of private and government monies are revamping the city, with the municipality's share being met by non-cash credits from improvements backed by the citizens. One of these credits came from a new overpass making Baltimore Street an extension of U.S. 40 and the site of its intersection with U.S. 220. The street is a downtown shopping center snugly squatting at the intersection of two of the major transportation arteries of the Eastern Seaboard.

This fact was instrumental in bringing in Glosser Brothers and the Crown American Corporation as the occupants and developers respectively of an 8-acre multi-million dollar shopping center, which now caps one end of Baltimore Street. The site has parking for 550 cars; it encompasses a food market and will house various small retail outlets on a site formerly occupied by warehouses and outdated buildings.

At the other end that joins Me-

chanic Street, the emphasis is different. A mini-mall on the corner of Mechanic and Baltimore Streets will provide a balance in the town. Boutiques, twin-theaters, and a restaurant here will create for shoppers browsing the length of the street a leisurely atmosphere in which to catch their breath, the latest flick, and maybe a little refreshment.

The agency has balanced the new development at the two ends of the street with an in-depth program of rehabilitation. Many of Cumberland's stores have a charm consistent with their age, and the agency moved to follow the lines of the street as laid down in the 18th century, changing only the emphasis.

Within the surrounding area, there are presently nine shopping centers. It is probable that within a relatively short time, a new enclosed mall will be built outside Cumberland. The agency anticipates that from the initiation of construction to completion, the opening of this mall will take approximately 2 to 3 years. Within this period, the agency will have completed the downtown revitalization program, and by the time the shopping center outside of Cumberland is open, downtown shopping habits of area customers will have been more firmly established. Center city will thus have the jump and the shopping mall and other centers will have to compete with the downtown.

After revitalizing and remodeling the entire 90-acre business district into an attractive shopping center with a variety of merchandise and ample parking, the city is focusing on commercial development. Now in Cumberland, new banks are built; old ones are modernized; a motel is constructed; and there is a fine new food market. The revitalized downtown is a shopping center that offers services unavailable elsewhere.

Long established merchants who are experiencing increased sales are ploughing profits into rebuilding and rehabilitating their establishments, inside as well as outside. Signs, once a street polluting factor, have been

changed. Bigness and loudness are giving place to subtlety. Signs flat against buildings, tastefully lighted, are now understood to be just as effective in catching the customer's eye as neon monstrosities.

Downtown Now More Attractive

Cumberland's commercial rehabilitation program is 82 percent accounted for, and remaining merchants are now beginning to get on the bandwagon. The worst is over. Getting the ball rolling, getting those first improvements moving, was the job. Now that we've got momentum, it's a matter of just keeping things in motion. Citizens have gotten that first taste of progress from the increased sales. And, they are now putting the profits back into their properties to catch the increasing flow.

Now that there's more reason to come downtown, a new traffic circulation system is being developed to make the downtown much more accessible and convenient. Strategically located parking areas are obviously important, so they are now in development. Landscaping and other aesthetic beautification are planned for all sections of the central business district. The urban renewal agency currently has under construction four mini-parks, which will provide comfort and convenience for pedestrians. They feature seating, shelter, water fountains, and nighttime illumination. One of these areas will feature a miniature waterfall with recirculated water. Another area will overlook the sight of the original Ft. Cumberland and feature two pavillions, one of which will have an exhibit of artifacts, relics, and informative illustration. The other will be an audio center which, at the push of a button, will offer a recorded message to explain points of interest.

Now the merchants need only entice customers in an environment which is more pleasing than it was prior to our urban renewal activity.

Mr. Coppa is Executive Director of the Cumberland Urban Renewal Agency.

lines&numbers

The Rise in Housing Costs in Urban Family Budgets

The Bureau of Labor Statistics has issued results of its annual survey of urban families' budgets. In contrast to food, the housing total (including shelter and also housefurnishing and household operations) accounted for an increasing share of the family budget. At the lower budget level, where the shelter component provides for a rented dwelling unit, 25 percent of all consumption was allocated to housing. Averages for housing in the intermediate and higher budget levels, primarily reflecting homeownership costs, were 30 and 33 percent, respectively. These budgets, for an urban family of four, illustrate three different levels of living based on estimates of costs for different specified types of goods and services rather than actual expenditures by families. The urban family is defined as a 38-year-old husband employed full-time, his non-working wife, a boy of 13, and a girl of 8. The family has, for each budget level, average inventories of clothing housefurnishing, major durables, and other equipment.

Annual Budgets for an Urban Family, Autumn 1973

	Lower Budget	Intermediate Budget	Higher Budget
Total budget	\$8,181	\$12,626	\$18,201
Total family consumption	6,580	9,761	13,450
Food	2,440	3,183	4,020
Housing	1,627	2,908	4,386
Transportation	563	1,014	1,315
Clothing	696	995	1,456
Personal Care	205	275	390
Medical Care	660	664	692
Other family consumption	389	722	1,191
Other items	385	611	1,024
Taxes	1,216	2,254	3,727

In the lower budget, shelter is limited to rental housing costs, increased by 4.7 percent between 1972 and 1973. In the intermediate and higher budgets, 75-85 percent of the families are assumed to be homeowners who purchased their homes 6 years ago. Among the other components of owner costs, which reflect changes between 1972 and 1973, increases were attributable to fuel and utilities and repair and maintenance items. Property tax increases have slowed considerably, compared with the previous 5 years.

Percent Changes in Urban Family Budgets Autumn 1972 to Autumn 1973

Component	Budget Level		
	Lower	Intermediate	Higher
Food	18.6	19.1	19.3
Housing	4.7	3.5	3.6
Shelter	4.7	3.2	3.2
Renter costs	4.7	4.7	4.9
Homeowner costs	...	2.9	2.9
Housefurnishing & operations	4.9	4.7	4.5
Transportation	3.1	3.6	3.5
Clothing	4.0	4.1	4.0
Personal care	5.1	5.4	5.4
Medical care	4.9	5.1	5.0
Other family consumption	2.9	2.9	2.8
Total consumption less shelter	10.3	10.0	9.4
Total consumption	9.1	8.3	7.9
Total budget	10.8	10.3	9.9

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